



State of Idaho

Legislative Services Office

Management Report

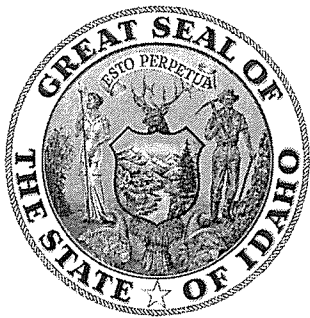
A communication to the Joint Finance-Appropriations Committee

IDAHO STATE HISTORICAL SOCIETY

FY 2006, 2007, and 2008

Report IC52208
Date Issued: October 19, 2009

Serving Idaho's Citizen Legislature



Don H. Berg, Manager

Idaho Legislative Services Office
Legislative Audits Division

IDAHO STATE HISTORICAL SOCIETY

SUMMARY

PURPOSE OF MANAGEMENT REVIEW

We conducted a management review of the Idaho State Historical Society covering the fiscal years ended June 30, 2006, 2007, and 2008. Our review covered general administrative procedures and accounting controls to determine that activities are properly recorded and reported.

The intent of this review was not to express an opinion, but to provide general assurance on internal controls and to raise the awareness of management and others of any conditions and control weaknesses that may exist and offer recommendations for improvement.

CONCLUSION

We did not identify any significant conditions or weaknesses in the general administrative and accounting controls of the office.

FINDINGS AND RECOMMENDATIONS

There are no findings and recommendations in this report.

PRIOR FINDINGS AND RECOMMENDATIONS

There were three findings and recommendations in the prior report, all of which are closed.

PRIOR FINDING 1

The Historical Society may not have complied with State travel and purchasing card (p-card) rules and regulations.

We recommended that the Historical Society study the State travel and p-card rules; complete a detailed review of all travel vouchers and p-card purchases of the director; and request reimbursement for all overpayments, if any. Also, to enhance internal controls and provide oversight, we recommended that the Office of the State Board of Education review all p-card purchases and travel vouchers of the director. Furthermore, we recommended that the Historical Society contact the State Controller's Office and determine the type of documentation that constitutes formal meetings for allowable meal expenses. Finally, the Historical Society needs to ensure proper coding and recording of taxable expenditures.

The State Controller's Office performed a detailed review of the former director's p-card and travel expenses at the request of the Historical Society's Board of Trustees. All identified questioned costs were reimbursed by the former director. New procedures have been implemented, requiring the Board to review all p-card usage and travel policies.

STATUS – CLOSED

PRIOR FINDING 2

Accounting procedures do not ensure efficient and accurate reporting.

We recommended that the Historical Society improve its accounting by obtaining needed training, utilizing the State's accounting system more effectively, and providing more oversight and reviews.

The Historical Society hired a consultant who is familiar with the State's accounting system features and capabilities. It has restructured its accounting system to track and monitor federal grant activity through the use of PCAs and grant numbers. In addition, the Historical Society has hired a fiscal officer and a grant accountant.

STATUS – CLOSED

PRIOR FINDING 3

Internal control over receipts is not adequate.

We recommended that the Historical Society:

- **Post large, easily seen signs near the cash registers at the Museum and Old Penitentiary requiring patrons to obtain a cash register receipt to show proof of payment, and instruct employees to issue cash register receipts to patrons.**
- **Require, when possible, the daily cash register closeout to be completed by a supervisor and the cashier, and that both these employees sign the cash register tape to verify the amount collected and recorded.**
- **Explain voided receipts and monitor and investigate voided excessive transactions.**
- **Monitor cash collections (compared with checks) and look for unusual trends or spikes.**

Recommendations to improve internal controls over the receipting process have been implemented by the Historical Society.

STATUS – CLOSED

A copy of this report is available at <http://www.legislature.idaho.gov/audit/auditsummaries.htm> or by calling 208-334-4832.

AGENCY RESPONSE

The agency has reviewed the report and is in general agreement with the contents.

FINANCIAL INFORMATION

The following financial data is for informational purposes only.

IDAHO STATE HISTORICAL SOCIETY – FISCAL YEAR 2008

<u>Fund</u>	<u>Title</u>	<u>Beginning Cash/ Appropriation</u>	<u>Receipts/ Transfers In</u>	<u>Disbursements/ Transfers Out</u>	<u>Ending Cash/ Appropriation</u>
0001	General Fund	\$2,983,092	\$978	\$2,649,668	\$334,402
0150-01	Economic Recovery Reserve Fund	47,788	0	47,273	515
0348	Federal Fund	296,839	947,251	920,026	324,064
0349	Miscellaneous Revenue Fund	716,038	594,299	427,740	882,597
0349-16	Lewis & Clark Trail Committee	156,561	30,883	2,902	184,542
0349-41	Preservation & Cultural Enhancement	0	6,128	0	6,128
0365	Permanent Building Fund	216,391	541,000	333,257	424,134
	Total	<u>\$4,416,709</u>	<u>\$2,120,539</u>	<u>\$4,380,866</u>	<u>\$2,156,382</u>

NOTE: \$199,789 of the Ending Cash/Appropriation in the General Fund is encumbered.

This report is intended solely for the information and use of the State of Idaho and the Idaho State Historical Society and is not intended to be used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the director, Janet Gallimore, and her staff.

ASSIGNED STAFF

Lori Hendon, CPA, Managing Auditor
Aimee Hayes, CPA, In-Charge Auditor
Jolene Crumley, Staff Auditor

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AGENCY RESPONSE



"The History and Preservation People"

**Our mission: to educate
through the identification,
preservation, and interpretation
of Idaho's cultural heritage.**

www.idahohistory.net

C.L. "Butch" Otter
Governor of Idaho

Janet L. Gallimore
Executive Director

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Fax: (208) 334-2775

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Research Library
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24 September 2009

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RE: Management Report for Fiscal Years 2006, 2007 and 2008

Dear Mr. Berg

The Idaho State Historical Society has received and reviewed the draft of the Management Report for Fiscal Years 2006, 2007 and 2008. The agency accepts the report as written and agrees with its contents.

We wish to thank your staff for their excellent suggestions on improvements to our processes and procedures.

Respectfully,


Janet Gallimore
Executive Director



APPENDIX

HISTORY

Eighteen years after the Idaho Territory was established in the midst of civil war and westward expansion, and nine years before statehood in 1890, a room full of early settlers created the Historical Society of Idaho Pioneers. Their efforts led to the establishment of the Idaho State Historical Society as a State agency in 1907.

People have wrested a living from Idaho's remarkable resources for more than 13,000 years. Our State has a rich history and prehistory, and the Idaho State Historical Society is charged with responsibility for its preservation.

From its original "library and cabinet" meant to preserve "literary and scientific objects," the Society has evolved into an extraordinary system of cultural and historic resources comprising the Idaho State Historical Museum, Public Archives and Research Library, State Historic Preservation Office, and Historic Sites Program. It serves more than 100,000 visitors and over 700,000 Web users annually.

STATUTORY AUTHORITY

Statutory authority for the Idaho State Historical Society is found in Idaho Code, Title 67, Chapters 41 and 46.

ORGANIZATION

The Idaho State Historical Society is governed by a Board of Trustees. The board consists of seven members, appointed for six-year terms by the State Board of Education. The board is empowered to appoint a director to serve as the administrative officer of the Society.

The organization is also supported by the Foundation for Idaho History, the Friends of the Historical Museum, the Idaho Genealogical Society, the Friends of Stricker Ranch, the Franklin Pioneer Association, and the State Historic Records Advisory Board, among other partners.

PURPOSE

MISSION – The Idaho State Historical Society preserves and promotes Idaho's cultural heritage.

VISION – To inspire, enrich, and engage all Idahoans by leading the State in preserving and sharing our dynamic cultural heritage.

The Idaho State Historical Society demonstrates value to the State of Idaho through:

- Fostering a sense of place
- Advocating for history and historic preservation
- Bringing new resources to our statewide community
- Respecting and connecting diverse groups
- Inspiring learning
- Creating transformational experiences

ACTIVITIES

State Historical Museum – History Day programs for school children, adults, and tourists; comprehensive, permanent exhibition on Idaho's history; special and traveling exhibitions; community events; educational trunks; Pioneer Village exhibitions; facility rentals; research and reference; gift shop; lecture series; and workshops, mentoring, and training opportunities for Idaho museums' staff and volunteers.

Public Archives and Research Library – Research and reference services; photographic duplication; oral history program; repository for private and government (State and local) records of permanent value, including storage and retrieval; training; and genealogical services.

Historic Sites – Preservation of State historic structures; programs for school children, adults, and tourists; interpretive exhibits; technical assistance; property management and licensing; community events; and facility rentals.

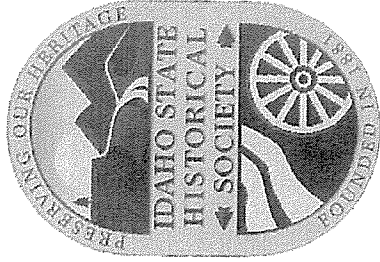
State Historic Preservation Office – Manages the National Register of Historic Places program; maintains Idaho's inventory (70,000 properties) of records for archaeological sites and historic buildings and structures; manages Certified Local Government grant program; assists developers in obtaining federal tax incentives for appropriate rehabilitation of historic buildings; consults with cities and counties on local preservation policies and projects; oversees the Archeological Survey of Idaho and its western repository; performs Section 106 Review and Compliance; and conducts and oversees archaeological investigations in Idaho.

Agency Administration – Liaison to Governor; provides executive support to Board of Trustees; budget and internal controls; grants administration and compliance; accounts receivable and payable; capital asset management; real property lease management; fleet management; strategic planning; human resource management; information technology; marketing and communications; governmental relations; Office of the State Historian.

Capitol Preservation Program – Inventory and restoration of Capitol collections; records management and retrieval; interpretive exhibits; staffs committees of and provides technical assistance to the Capitol Commission.

FUNDING

The Idaho State Historical Society receives approximately half of its operating funding from the State General Fund. The Society leverages this public funding and enhances its public service mission with grants, membership revenues, admission and use fees, property leases, private donations, and sales of publications and other items.



Citizens Governor Legislature State Board of Education Board of Trustees

